

**SPECIAL SESSION
April 14, 2003**

The Board of Supervisors of Maricopa County, Arizona convened at 12:00 p.m. April 14, 2003, in the Sullivan Conference room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Fulton Brock, Chairman; Andy Kunasek, Vice Chairman; Don Stapley, Max W. Wilson, and Mary Rose Wilcox. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

DISCUSSION OF RECOMMENDATIONS FROM CITIZEN'S TASK FORCE ON COUNTY HEALTH CARE SYSTEM AND GENERAL LEGISLATIVE UPDATE

Sandi Wilson, Deputy County Administrator
Mark Hillard, Maricopa Integrated Health Systems
Chris Keller, Chief Counsel, Division of County Counsel
Diane Sikokis, Director, Government Relations
Bill Sims, Outside Counsel
Rory Hayes, Lobbyist
Doug Cole, Lobbyist
Lou Gorman, County Counsel

Doug Cole said they are pursuing several tracks, one of which is with the Hospital Association, another with AHCCCS, and that problems are being encountered with the State "on the Dispro language." He said that meetings are ongoing with both House and Senate leadership on drafting a bill.

Rory Hayes said that negotiations on resolving the Dispro Fund distribution is becoming a huge problem. The County hoped it could be taken out of the equation and the fund distribution could be between the State and the new district, however, Bill Sims remarked that "we're stubbing our toes on federal law" on provider taxes and provider donations. Pima County is in the process of transferring its hospital to the University of Arizona's group of doctors, thereby taking itself out of the process. County negotiators found out last Friday that Pima's removal has now grown Maricopa County's role to be the "sole source to filter all the funds." The total amount of these Dispro Funds could amount to plus or minus \$80 million. Mr. Sims said, "This makes it extremely difficult for the County because we can only have a fair-market value lease." Discussion ensued on this issue.

Supervisor Stapley stated that the County's negotiating position with the State should be to keep focusing on a solution that would preserve as much as possible the current language in the bill. As a backup, he suggested moving to the 2nd alternative of including the necessary provisions in an IGA outlining what is needed and, "present the State with the 'Grand IGA' concept," if things deteriorate to that point.

Sandi Wilson said that there has been a great deal of fluctuation on the allocated amount of Dispro monies the County received through the years and warned that \$80 million isn't an amount to rely on as it could easily become \$100 or \$120 million tomorrow. "But we certainly never expected it to come to the point that everything would flow through us. This is the kind of thing that can completely ruin the County's budget." Her suggestion was to take the County completely out of it and to preserve and better the language that's currently in the existing bill. She suggested writing some protective language in it outlining the due consequences of inaction on a new structure. She indicated that, if possible, the language should be flexible enough so any unforeseen things "we can't even imagine today" will still be covered.

Supervisor Stapley said that an agreement also has to be reached with the Hospital Association. He asked if the negotiators are close to getting this. The answer was, "No, we're not close."

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~ Supervisor Stapley left the meeting ~

Supervisor Kunasek said that he was reluctant to create a hospital district unless it removes the County from being involved in any way with the healthcare process. He explained that he wanted it to be clean cut to protect the County's budget.

Chairman Brock asked for more information on how and why Pima County took itself out of the Dispro loop.

Rory said that basically there's really no hope that can be taken from their act because there isn't anything that is comparable between their system and MIHS. Their system has shrunk considerably over the years. (They closed their Emergency Room and OB-GYN clinic long ago.)

A remark from Supervisor Wilcox prompted discussion between representatives of various private hospitals and the Supervisors over recent changes that the Hospital Association and AHCCCS are maintaining should be made to the proposed legislation. The County has made some concessions but County Counsel and the Board members believe that some of the changes are unnecessary and/or detrimental. The implication has been that these changes need to be included before the Hospital Association will help promote the legislation. Assertions were made that the Hospital Association had ten weeks to voice their demands at the Task Force meetings and didn't do so, and they are now stalling the legislation with their arguments and amendments. These tactics are said to be endangering the legislation and could even kill it because of the short time period left in this session to introduce new bills. Spokesmen from the Hospital Association denied any intent to obstruct and said they very much want MIHS to stay in operation, but they are firm on their requests, which they maintained involve only two areas, facilities and mission. They implied that if the County agrees to those changes they would then join the County to work for passage of this bill.

Supervisor Kunasek asked the status of the Mission Statement.

Rory Hayes said that the emphasis would change if the latest requests she has received from Andy Gordon (Hospital Association) are accepted. Discussion continued on the language changes already conceded from the original Statement as drafted by the Task Force and also the result of implementing the recently requested changes. The Board does not want the original intent of the Mission Statement, as written by the Citizen's Task Force, to be changed but are agreeable to continue to accept suggestions that improve the statement and which fall within the original concept.

EXECUTIVE SESSION CALLED

Motion was made by Supervisor Kunasek, seconded by Supervisor Wilson, and unanimously carried (4-0-1) to recess to Executive Session to receive legal advice on this matter.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

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MEETING RECONVENED

AMEND THE REWARDING IDEAS PROGRAM AUTHORIZED EMPLOYEE AWARD AMOUNT

Motion was made by Supervisor Wilcox, seconded by Supervisor Stapley, and unanimously carried (4-0-1) to amend the Rewarding Ideas Program authorized employee award amount from \$7,500 that was originally authorized on April 2, 2002 to \$10,000. An awardee amount representing \$2,500 was inadvertently left out of the original calculation. Presentation of the awards will be on April 16, 2003. (This is Addendum item 1.) (C31030077) (ADM3333-002)

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Fulton Brock, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board